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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

2007 NOV -7 P 3: 01

MIKE GLEASON, Chairman  
WILLIAM A. MUNDELL  
JEFF HATCH-MILLER  
KRISTIN K. MAYES  
GARY PIERCE

AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY,  
AN ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE CURRENT FAIR  
VALUE OF ITS UTILITY PLANT AND  
PROPERTY AND FOR INCREASES IN ITS  
RATES AND CHARGES BASED THEREON  
FOR UTILITY SERVICE BY ITS SUN CITY  
WATER DISTRICT

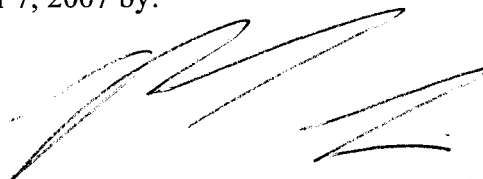
DOCKET NO. W-01303A-07-0209

**ARIZONA-AMERICAN WATER**

**NOTICE OF FILING SUN CITY  
FIRE HYDRANT FLOW  
IMPROVEMENT PROJECT  
SURVEY**

1  
2  
3 Arizona-American Water Company ("Arizona-American") hereby files the attached Sun  
4 City Fire Hydrant Flow Improvement Project Survey ("Survey") in the above captioned docket.  
5 Arizona-American plans to mail the attached Survey to its Sun City Water District customers on  
6 or about November 12, 2007. The customers have until December 1, 2007 to mail their Survey  
7 responses to Arizona-American. Arizona-American will tally the returned Surveys and make the  
8 Survey result available to the public on or about December 12, 2007.

9  
10 Respectfully submitted on November 7, 2007 by:

11  
12  
13  
14 

15 Paul M. Li  
16 Arizona-American Water  
17 19820 N. 7<sup>th</sup> St. Suite 201  
18 Phoenix, Arizona 85028  
19 (602) 953-5260  
20 Paul.Li@amwater.com  
Attorney for Arizona-American Water Company

Arizona Corporation Commission

DOCKETED

NOV -7 2007

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1 Original and 13 copies **filed**  
2 on November 7, 2007, with:

3  
4 Docket Control  
5 Arizona Corporation Commission  
6 1200 West Washington  
7 Phoenix, Arizona 85007

8  
9 Copies of the foregoing **mailed** on  
10 November 7, 2007, to:

11  
12 Robin Mitchell  
13 Attorney; Legal Division  
14 Arizona Corporation Commission  
15 1200 West Washington  
16 Phoenix, Arizona 85007

17  
18 Ernest Johnson  
19 Director; Utilities Division  
20 Arizona Corporation Commission  
21 1200 West Washington  
22 Phoenix, Arizona 85007

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24 Daniel Pozefsky  
25 Residential Utility Consumer Office  
26 1110 West Washington Street  
27 Suite 220  
28 Phoenix, Arizona 85007


29  
30 Tracy Spoon  
31 Sun City Taxpayers Association  
32 12630 N. 103<sup>rd</sup> Avenue, Suite 144  
33 Sun City, Arizona 85351

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36 Susan D. Goodwin, Esq.  
37 Larry K. Udall, Esq.  
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40 Phoenix, Arizona 85012  
41 Attorney for Town of Youngtown

42  
43 Lloyce Robinson, Town Manager  
44 Town of Youngtown  
45 12030 Clubhouse Square  
46 Youngtown, Arizona 85363

1  
2 Mr. William Downey  
3 11202 W. Pueblo Court  
4 Sun City, Arizona 85373  
5

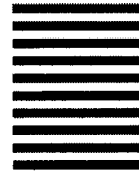
6  
7  
8 By:

  
\_\_\_\_\_  
9 Courtney Appelhans  
10



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 **Arizona  
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on proposed  
fire hydrant  
flow improvements



## Sun City Fire Hydrant Flow Improvement Project

Arizona American Water seeks your input on proposed fire hydrant flow improvements. A summary of the responses we receive will be provided to the Arizona Corporation Commission.

In 2004, the Arizona Corporation Commission directed Arizona American Water to form a community Task Force in its Sun City Water District to determine if water production, storage capacity, water lines, water pressure and fire hydrants were sufficient to provide an adequate level of fire protection.

The Task Force included representatives from the Sun City Taxpayers Association, Recreation Centers of Sun City, Sun City Home Owners Association, Sun City Fire Department, Town of Youngtown, the City of Surprise Fire Department and several local resident and business representatives. Consultants to the Task Force identified the existing fire flows as inadequate to meet the recommendation by local fire departments. In some areas, flows below 500 gallons per minute were identified, which is less than the recommended International Standard of 1,500 gallons per minute for a period of two hours.

The Task Force endorsed a four-year construction plan—costing \$3.1 million in 2004 dollars—which includes water main replacements and new fire hydrants. Those neighborhoods with the lowest fire hydrant flow would be improved first under the plan, with residential customers taking priority over commercial areas. The multi-phase construction plan includes 44,133 feet of new water mains and 195 new fire hydrants:

### Sun City:

21,492 linear feet of water mains and 78 fire hydrants

### Youngtown:

21,391 linear feet of water mains and 117 fire hydrants

### Peoria:

1,250 linear feet of water mains



## How this affects you...

The table below provides a yearly estimate, starting in 2010, of how the cost of improving fire hydrant flows, if approved, is expected to impact your monthly water bill:

| Year            | Increase In Monthly Water Bill     |
|-----------------|------------------------------------|
| 2010            | 3.5 cents per every 1,000 gallons  |
| 2011            | 7.4 cents per every 1,000 gallons  |
| 2012            | 11.4 cents per every 1,000 gallons |
| 2013 and beyond | 17.4 cents per every 1,000 gallons |

The average residential customer in the Sun City water district uses 8,269 gallons of water per month, which presently costs \$13.91. Please review your current water bill to determine your water usage. If you need further assistance, please call 1-800-383-0834 to speak with one of our customer service representatives. If you would like more information concerning the fire flow project details or costs, please contact Todd Walker, Community Relations Manager, 623-815-3112, or via email at [todd.walker@amwater.com](mailto:todd.walker@amwater.com).

Arizona American Water currently has a rate case pending before the Arizona Corporation Commission to increase water rates in its Sun City Water District and to also fund fire hydrant flow improvements through a surcharge.

Contact your property insurance agent if you have questions about how improved fire safety may impact your future homeowner's insurance rates.

### Excerpt from Arizona Department of Insurance Website:

#### *What affects home insurance prices?*

**Local Fire Protection:** The number of fire hydrants and fire departments and the availability of water are just some factors which determine your area's fire protection class.

Arizona Department of Insurance, 602-364-2499 or [www.id.state.az.us](http://www.id.state.az.us)

## MAIL-IN OPINION SURVEY

### Please Check One:

- ☐ Yes, I support improving fire hydrant flows in Sun City Water District.
- ☐ No, I do not support improving fire hydrant flows.

### Please Check One:

- ☐ Yes, I am willing to pay in my water bill for the cost of improving fire hydrant flows in Sun City Water district so long as the Arizona Corporation Commission finds the costs reasonable.
- ☐ No, I am not willing/able to pay for the proposed fire hydrant flow improvements in my water bill.

Thank you for your participation in this survey. The results of this survey will be available to you, our customer. The Arizona Corporation Commission rate case hearing is currently scheduled for 10 a.m. on January 7, 2008. If the fire hydrant flow improvement project is approved, construction is likely to begin in 2009. **Responses must be postmarked by December 1, 2007.**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_